

~~CONFIDENTIAL~~

MEMORANDUM FOR: Chief, Technical Accounting Staff

SUBJECT : Class A Accounting Procedure for Shortages
in Field Installations

1. GENERAL:

The Board of Review recently considered Case No. 194 in which an employee [REDACTED] returned to Headquarters and resigned without being held accountable for a field shortage. It appears that our accounting procedures need to be revised in order to prevent a re-occurrence of this problem.

2. BACKGROUND:

Mr. [REDACTED] of the Technical Accounting Staff has personal knowledge of the case. Mr. [REDACTED] of the Technical Accounting Staff has discussed the procedures with the Secretary of the Board. A shortage of \$100.00 was discovered 17 January 1962 in the Class B accounts of [REDACTED] DRGB. This shortage was recorded in the Class A accounts [REDACTED] When [REDACTED] left [REDACTED] the shortage was neither settled nor transferred to Headquarters with her field clearance. When [REDACTED] resigned at Headquarters during January 1963, she was cleared without any discussion or action on the outstanding shortage.

3. PROCEDURES:

The following procedures are listed for consideration in revision of our Class A accounting procedures.

- a. [REDACTED] rev. 3, 22 December 1958, Chapter V, paragraph 2. b. The "Cash Short and Over Account" in a Class A installation reflects a shortage as a station shortage rather than as a personal shortage in the Class B installation. Resignation in the field or transfer to other installations should include action on the employee's shortages.

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- b. [REDACTED] dated 3 June 1957, Chapter IX, paragraph 6. The "Schedule of Cash Short and Over" could include under "Description of Circumstances" the name of the employee (such as custodian) concerned. This name would help cross-check and clearance procedures. Form No. 967 could be supplemented by a memo account for follow-up purposes to distinguish personal or custodial liability from station accountability.

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- c. [REDACTED] rev. 3, dated 22 December 1958, Chapter XI, paragraph 7.c. Although a shortage is retained in the station account pending a final determination by Headquarters, the station could alert Headquarters to outstanding shortages prior to an employee transfer or resignation. Without requiring a T/A document, Headquarters could annotate the employee account for a potential pecuniary liability.

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- d. [REDACTED] rev. 12, dated 13 September 1961, Figure 16. Schedule B, Form 967, could include employee names in column 5 for Description.

[REDACTED]
Chairman, Board of Review

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RHF/ss

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